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Proposed programme budget for the biennium 2010-2011*

Part IV
International cooperation for development

Section 13
International Trade Centre UNCTAD/WTO

(Programme 10 of the strategic framework for the period 2010-2011)**

* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-fourth Session, Supplement No. 6* (A/64/6/Add.1).

** *Official Records of the General Assembly, Sixty-third Session, Supplement No. 6* (A/63/6/Rev.1).

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Preliminary estimate to accommodate the programme of activities of the International Trade Centre UNCTAD/WTO during the biennium 2010-2011

Table 13.1 **Estimate of expenditure**

(United Nations share at 2008-2009 rates)

Proposal submitted by the Secretary-General	$31 030 700
Revised appropriation for 2008-2009	$30 873 700

Table 13.2 **Proposed staffing resources**

Posts	*Number*	*Level*
Regular budget		
Proposed for the biennium 2010-2011	173	1 ASG, 1 D-2, 5 D-1, 23 P-5, 35 P-4, 22 P-3, 15 P-2/1, 71 GS (OL)
New	19	1 D-1, 5 P-5, 8 P-4, 2 P-3, 3 P-2
Abolitions	2	GS (OL)
Approved for the biennium 2008-2009	156	1 ASG, 1 D-2, 4 D-1, 18 P-5, 27 P-4, 20 P-3, 12 P-2/1, 73 GS (OL)

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; OL, Other level.

13.1 The General Assembly, in section I of its resolution 59/276, endorsed revised administrative arrangements for the International Trade Centre UNCTAD/WTO (ITC) as set out in the report of the Secretary-General (A/59/405). In conformity with those administrative arrangements, after consultations between the secretariats of the United Nations, the World Trade Organization (WTO) and ITC, a proposal in the form of a simplified fascicle, in United Nations format, is submitted in the second quarter of the year preceding the forthcoming financial period to the General Assembly and the WTO General Council, with a request that both bodies take note of the planned level of resources to be requested. The ITC budget is funded equally by the United Nations and WTO. The proposals outlined below are of an interim nature.

13.2 ITC is responsible for the implementation of subprogramme 6, Operational aspects of trade promotion and export development, of programme 10, Trade and development, of the strategic framework for the period 2010-2011.

13.3 ITC is a joint body of the United Nations and WTO expressly mandated to provide technical assistance to facilitate the integration of developing countries and economies in transition, and in particular the least developed countries, into the multilateral trading system through export promotion and international business development. The Centre's interventions concentrate on three strategic objectives: (a) strengthening the international competitiveness of enterprises; (b) developing the capacity of trade service providers to support businesses; and (c) supporting policymakers in integrating the business sector into the global economy. Recognition by the development community of the critical importance of trade and private sector development, as well as the central role of ITC in the Aid for Trade initiative and its implementation at the country level, have been recognized at several forums in the recent past. Consequently, ITC is called upon to deliver higher levels of trade-related technical assistance.

13.4 The programme of work is reviewed annually by the Joint Advisory Group of the International Trade Centre, the main intergovernmental policy forum of the Centre, which is open to members of the United Nations Conference on Trade and Development (UNCTAD) and WTO. The WTO General Council and the UNCTAD Trade and Development Board review the report, including recommendations, of the Joint Advisory Group annually. The Joint Advisory Group also examines the activities of ITC and makes recommendations to the UNCTAD Trade and Development Board and the WTO General Council.

13.5 ITC delivers customized tools and advisory services and, unlike other technical assistance programmes where physical infrastructure or consumable goods may absorb a large amount of resources requiring a limited number of processes, the Centre's work consists of a high number of low-unit-cost catalytic actions. During the period from 2000 to 2008, programme budget resources increased by 16 per cent (from SwF 29.5 million to SwF 34.1 million), and ITC increased its technical assistance by 153 per cent (from $11.6 million to $29.4 million). In response to increasing demand for technical assistance, internal reforms aimed at improving the efficiency and quality of services were implemented. However, current requests from its clients considerably exceed the capacity of ITC to deliver technical assistance. The growing demand for ITC services from both donors and beneficiaries will continue as ITC becomes more results- and impact-oriented. Country-level technical assistance support is funded by extrabudgetary resources, complemented, at a proportionately diminishing level, by assessed resources for the design and development of global, regional and country programmes and the development of core business line products.

13.6 ITC has recently completed a process of change management, based on the findings and conclusions of the comprehensive external evaluation of ITC endorsed by the Joint Advisory Group. The change is aimed at increasing overall impact, implementing results-based management and better communicating the Centre's best practices. The Centre's first four-year strategic plan for the period 2009-2012 and the strategic framework for 2010-2011 were endorsed by the Joint Advisory Group at its forty-second annual meeting, held in December 2008. The proposed level of resources for the biennium 2010-2011 has been formulated on the basis of the strategic framework, approved by the General Assembly in its resolution 63/247.

13.7 The proposed overall requirements for section 13 for the biennium 2010-2011, amounting to SwF 74,473,700, would comprise:

(a) An amount of SwF 68,139,600 for the continuation of 156 posts (83 Professional and 73 General Service) and related non-post requirements;

(b) An amount of SwF 277,000 corresponding to the delayed impact of four Professional posts, including the reclassification of one post from the P-2 to the P-4 level and the establishment of three posts at the P-2 level, approved for the biennium 2008-2009;

(c) A net amount of SwF 5,902,500 for the proposed establishment of 19 Professional posts (1 D-1, 5 P-5, 8 P-4, 2 P-3, 3 P-2), partially offset by the proposed abolition of two General Service (Other level) posts;

(d) An amount of SwF 154,600 for non-post requirements, including provisions under furniture and equipment related to the proposed new posts and for strengthening the Centre's videoconferencing capabilities.

13.8 The establishment of additional posts would enable ITC: (a) to better respond to the recommendations of the Joint Advisory Group of December 2007 and 2008; (b) to better address the recommendations arising from a comprehensive evaluation of ITC completed in 2006; and (c) to better respond to the needs of ITC programme countries, as expressed in annual global client

surveys. It would also contribute to strengthening the capacity of ITC as the main proponent in the United Nations of the role of micro-, small and medium-sized enterprises and community enterprise, giving tangible reality to inclusive globalization, within the framework of the following priority areas during the biennium 2010-2011:

(a) Strengthening capacity to carry out needs assessment, programming and delivery in all five geographic regions, with special attention to the least developed countries, landlocked developing countries and small island developing States, for which it is proposed to establish five posts (1 D-1, 3 P-5, 1 P-4). In this connection, the Joint Advisory Group report of December 2008 recommended that ITC continue to prioritize its work in favour of the least developed countries, landlocked developing countries, small island developing States and sub-Saharan African countries. It also recommended that ITC aim to achieve a balance in its programming among the five geographic regions. The Group's 2007 report set a target of 50 per cent as the proportion of ITC country programmes benefiting the least developed countries, landlocked developing countries and small island developing States;

(b) Strengthening of the Centre's three of five areas of core competence (business lines): trade intelligence, promotion of export strategies and business and trade policy, for which it is proposed to establish three posts (1 P-5, 2 P-4). The business lines have been determined as a result of a change management process in ITC, as set out in the strategic plan for 2009-2012 and endorsed by the Joint Advisory Group in 2007 and 2008;

(c) Strengthening of capacity in the areas of trade and environment and women in trade, for which it is proposed to establish two posts (1 P-4, 1 P-3);

(d) Strengthening the promotion of trade in services, for which it is proposed to establish one post at the P-4 level to help guide and respond to the Centre's growing portfolio of projects related to trade in services, which continues to drive economic gains globally, accounting for more than 20 per cent of global trade and in recent years outstripping the growth in exports of goods;

(e) Strengthening the capacity of trade support institutions, for which it is proposed to establish two posts (1 P-4, 1 P-2). A key indicator of the ITC strategic framework is the benchmarking of trade support institutions. In this connection, ITC is developing a comprehensive benchmarking scheme, based on global best practices, to objectively determine the capacity development of trade promotion organizations and other trade support institutions;

(f) Strengthening trade finance, marketing and trade law, for which it is proposed to establish three posts (1 P-5, 2 P-4). Problems of trade finance and business environment have been repeatedly cited by the Centre's business constituency as being the major obstacles to export expansion;

(g) Strengthening capacity-building and training, the area of activity for which there was the greatest number of proposals for new products and services in the 2008 ITC client survey. To meet the demand, ITC increased its reliance on distance learning, for which it is proposed to establish one post at the P-3 level to manage e-learning systems in an effort to give ITC clients access to its training activities;

(h) Programme support, for which it is proposed to establish two posts at the P-2 level for a Graphic Designer to enhance marketing support for trade fairs, events, videos, websites, brochures and fact sheets to promote projects and issues supporting trade development and a Technical Officer to support the upgrade and optimization of the financial planning and reporting of the Division of Business and Institutional Support.

13.9 The requirements of ITC expressed at 2008-2009 rates are estimated at SwF 74,473,700 for the biennium 2010-2011. It is projected that an amount of SwF 700,000, representing income from various sources, would be available to ITC during the biennium. On that basis, the contribution of each organization is estimated at SwF 36,886,850 (at 2008-2009 rates) for the biennium 2010-2011. Table 13.3 shows the United States dollar equivalent of those requirements for the biennium 2010-2011.

Table 13.3 **Summary of requirements (United Nations share)**

(Thousands of United States dollars)

Object of expenditure	*2006-2007 expenditure*	*2008-2009 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2010-2011 estimate*
			Amount	*Percentage*			
Grants and contributions	27 533.0	30 873.7	157.0	0.5	31 030.7	—	31 030.7
Total	**27 533.0**	**30 873.7**	**157.0**	**0.5**	**31 030.7**	—	**31 030.7**

13.10 The General Assembly may wish to take note of the planned level of resources. The detailed proposed programme budget of ITC for the biennium 2010-2011 will be submitted to the General Assembly and to the General Council of WTO in the fourth quarter of 2009.